

STATE OF TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE

HOME IMPROVEMENT COMMISSION

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www.state.tn.us/commerce/boards/contractors
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Adopting the Home Improvement Law

Pursuant, T.C.A. §62-37-126, a county has the right to implement regulation of home improvement contractors upon 2/3 majority vote of their legislative body. The Home Improvement Commission was established in 1988 by the legislature in order to regulate the remodeling industry from unscrupulous contractors especially those taking advantage of the elderly and those on fixed incomes and violating the consumer's protection act. The Commission is made up of five (5) members; three in the remodeling business and two public members, and is a subdivision of the Board for Licensing Contractors. Since implementing the Commission, they have mediated hundreds of complaints, which prevent homeowners the expense of taking the matter to court and in some cases, allowed them to file against the surety bond. In addition, home improvement contracting is considered one of the top five (5) consumer related complaints.

The home improvement license law is set up for home remodelers performing jobs from \$3,000 to less than \$25,000, and of course, the homeowner is exempt from licensing requirements since they may perform their own remodeling. Commercial and industrial remodeling for projects less than \$25,000 is also considered exempt. The application process is simple and handled by the state. The contractor completes a one page application with proof of \$10,000 financial responsibility (which can be in the form of a surety bond), workers compensation insurance, references and there is not a requirement for examination. The home improvement licensed contractor is required to follow guidelines pertaining to local government's codes and permit requirements, as well as, adhere to the state law for advertising and contract requirements. More information regarding the home improvement licensing process may be downloaded from the website at: http://www.state.tn.us/commerce/boards/contractors/remodeling.html

This information is relative to how contractors may obtain this license, as well as, information relating to the benefits of hiring a licensed contractor. Presently, there are nine (9) counties which require a home improvement license: Bradley, Davidson, Hamilton, Haywood, Johnson, Knox, Robertson, Rutherford and Shelby.

Should your municipality be interested in adopting this license law, I will be happy to talk or meet with you at your convenience.

Sincerely,

Carolyn Lazenby
Carolyn Lazenby
Executive Director